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February 17, 2000

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Via hand delivery

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D. C. 20554

Re: CC Docket No. 00-4

Dear Ms. Salas:

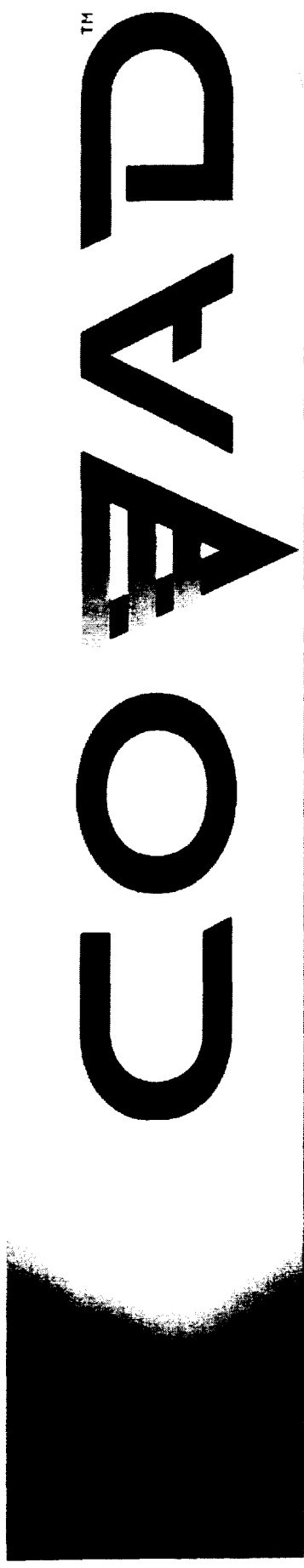
On March 17, 2000, Thomas M. Koutsy and Jason Oxman met with Jordan Goldstein, Legal Advisor to Commissioner Ness, to discuss SBC's Texas 271 application. They discussed the inadequacy of SBC's xDSL loop performance, as well as other related topics as set out in the attached presentation.

Very truly yours,

Florence M. Grasso

Cc: Jordan Goldstein  
Jessica Rosenworcel  
Cecilia Stephens, Common Carrier Bureau

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**Texas 271**  
**March 17, 2000**  
**CC Docket No. 00-4**



# **SBC xDSL Loop Performance Inadequate**

- Lack of parity provision
  - Wholesale performance to CLECs not as good as retail ADSL and T1 performance
  - SWBT attempts to explain away hard Covad evidence with assertions that Covad requests “non-standard” due dates. But it is SWBT’s ordering process that muddies the waters as to when a loop is ordered!
  - Over 2000 pages of corrections/supplements--FCC needs REAL performance data
- Cumbersome loop qualification and ordering process--TX PUC and FCC have ruled discriminatory!
- Advanced Services Affiliate not fully operational
- Line Sharing, Remote Terminal Access not implemented

## DOJ: SWBT is Simply Not Ready

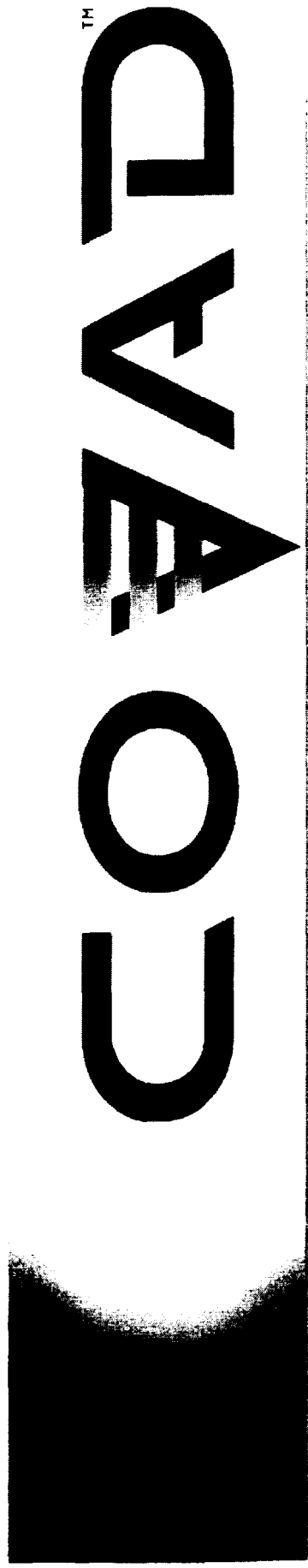
- SBC has “not demonstrated that it is providing non-discriminatory treatment to competitors offering xDSL services” (DOJ at 2)
- Texas is “not fully and irreversibly open to competition by carriers seeking to offer advanced services using unbundled xDSL-capable loops” (DOJ at 10)

*“SBC cannot satisfy either requirement” of the New York Order for xDSL-capable loops (11)*

## DOJ: Data CLECs are “seriously disadvantaged”

“Taken as a whole, these performance reports show a service environment in which CLECs attempting to compete against SBC’s retail DSL services are *seriously disadvantaged* at present by SBC’s *inadequate wholesale performance*, and may well *face greater disadvantages in the future* if SBC’s performance continues to decline in the face of higher volumes of CLEC orders.”

DOJ Eval. at 23



**What to Do?**



# Full Implementation must be Verified...

- May 29, 2000: Line Sharing Available to CLECs; Separate Affiliate achieves “steady state” provisioning (SBC 3/7/00 Letter in 98-141)
- May 30, 2000: Implement OSS changes necessary to accommodate TX DSL Arbitration Award, Merger Conditions, and UNE Remand Order
- Resolve Remote Terminal Access Issue as Suggested by Data CLECs in SBC Waiver Request in 98-141
- Prove it has implemented 12/16/99 Commitments (FCC Staff should inspect)
- Ensure that SWBT Proposed Costs for DSL Loops conforms with Act (SWBT recently filed confidential cost study in Texas)
- Complete Revisions to TX Performance Measurement System (2/21/00--SWBT, Covad and Rhythms proposed changes)
- Then, compile at least three months of *complete* performance data, showing nondiscriminatory treatment to data CLECs

# Examine Actions, not Words...

- 12/16/99 Commitments
  - SWBT relies upon Covad/SWBT Interconnection Agreement to prove implementation
  - Yet, Covad/SWBT Agreement only completed on 2/18/00--no operational performance under that agreement in record
  - Impact the Record: Failure to provide acceptance testing has robbed FCC of accurate xDSL loop installation data through 1/31/00
  - For other items, SWBT can only point to 12/15/99 offer as proof of implementation
- Line Sharing/OSS Changes moving slowly
  - See Strickling Letter, 2/24/00 in 98-141 (extending collaborative sessions on Advanced Services OSS)
  - Line Sharing Arbitration window opens March 31